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VITASCOPE

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Which seat to pick?

(They're All Good!) *by Brien Strelau*

What exciting times are these to go see movies! Industry-wide, major changes in theatre buildings are making movie going more exciting and enjoyable than ever. At Cinemark, especially, stadium seating and thrilling new looks for the buildings themselves are keeping this Company ahead of the game.

The stadium seating craze began for Cinemark with a couple of auditoriums in a couple of theatres built last year. Common in most sports arenas across the country, "stadium seating" refers to the stair-stepped platforms upon which each row of seats is built. Each seat is 16" higher than the seat in front of it, so unobstructed views are available from every seat in the house (no matter what size hat or hairstyle the person in front or you is wearing). With the extra space between rows, there is room to have rocking seats that are high-backed and comfortable. With great views and super-comfortable chairs, the stadium auditoriums were a huge hit with just about everyone who experienced them.

They were such a hit, in fact (movies in the stadium auditoriums attracted far more guests than movies that weren't), that Cinemark began featuring all stadium seating in

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Cinemark and Young Life: Investing in your future *by Amy Cox*

A large part of Cinemark's success depends on young people. Most of our patrons are teenagers, as well as the majority of our theatre personnel. If you fall into this category and often feel overlooked and unimportant in world affairs, you couldn't be more wrong!! Your tastes, decisions, goals and actions have an impact on everyone from the president of Nike to the President of the United States. You buy the CD's, wear the clothes, play the games, and SEE THE MOVIES that make many companies successful. Who you are becoming now will determine the laws, careers and lifestyles of the future.

Cinemark recognizes your potential and supports organizations such as Young Life, who are committed to strengthening the identities of today's youth. As a demonstration of this support, Cinemark's 1996 Christmas card read the following:

This season brings a greater appreciation of friends, family, and community. In the spirit of the season, Cinemark has made a donation on behalf of our friends and associates to Young Life. We wish you happiness and prosperity throughout the festive season and coming year.

About Young Life

Begun in Dallas, Texas in 1941 by James C. Rayburn, Jr. Young Life has grown to reach kids from every background, all across the country. While it maintains a full time staff, Young Life depends on volunteers in everywhere to organize trips, hold meetings and act as role models. Weekly Young Life meetings can be found in almost every city. Loosely organized and fun, these meetings are an opportunity to relax and make friends in an open, accepting environment. Young Life also offers 10 of the most beautiful camps in North America. Some 80,000 campers participate in Young Life camps annually.

To quote current Young Life President Denny Rydberg:

"...But Young Life is more than Summer camping programs. Throughout the year, we go where kids are in order to build relationships and show them that we care. Ball games, school assemblies, shopping malls and fast-food restau

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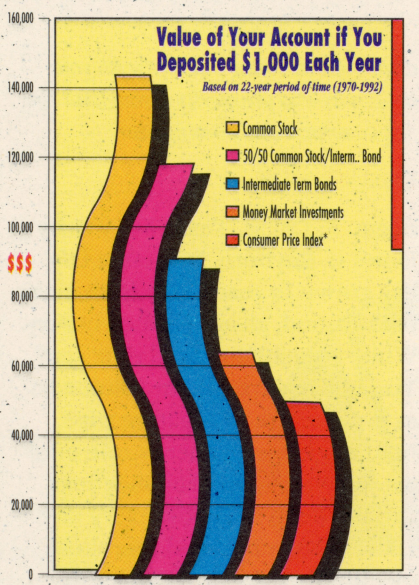
383 different movies were played at Cinemark in the U.S. and Canada in 1996.

FACTS FOR '96

Important investment decisions

by Rob Buie

Last month, we discussed the basic workings of your 401(k) Plan. This month, we are discussing the importance of deciding where to invest your money - you



*This index is a monthly survey by the U.S. Bureau of Labor Statistics, used to measure inflation or deflation based on price charges in consumer goods and services.

know, like stocks, bonds, or money market instruments. This should only serve as an example to guide you in your pursuits of successful investing. The way you invest your money is a personal thing and should be left up to the investor — which is you!

Most retirement plans offer a number of investment funds to help you reach your retirement goals. After all, saving today is designed to aid you in your retirement years. Every investor must keep in mind the simple rule stating: "The lower the risk, the lower the potential return. The higher the risk, the higher the potential return." What exactly is risk, you say? Risk, as defined by The Oxford Dictionary of Current English is a "chance of injury or loss or bad consequence; person or thing causing risk." Simply put, it is what keeps many people from investing their money in volatile instruments such as stocks.

You, as the investor, must remember that it is not uncommon for a fund that invests in stocks to be up 25% one year and down 10% the next. No one really likes risk. Although there are some folks who are willing and can afford to place all their money into a single stock, most of us are slightly more prudent. How do we minimize the riskiness of our investments?

By **investment diversification**, the investor is able to keep all of his eggs out of one basket. By investing in funds with different invest-

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Investment Objective:	Funds That Invest In:	Risk And Return:
Growth	Stocks	High
Balance	Stocks and Bonds	Moderate to High
Income	Bonds	Moderate
Capital Preservation	Fixed Interest on Money Market Instruments	Low

The above table shows the four types of investment objectives, the funds representative of each, and the degree of risk expected as a result of investing in that particular investment objective.

Phil for thought

by Kimberly Mount

Many of us may consider our days off as the time to kick back and relax. However, this is not the philosophy of Phil Dean, Manager of Movies 8 in Joliet, Illinois. For over

three years, Phil has spent his Wednesdays volunteering for Chicago House Social Agency. On December 12, 1996, he was honored as "Volunteer of the Year" for his work with this program.

75,897,282 was the total attendence for Cinemark from Dec. 10, 1995 to Dec. 10, 1996. The State of Texas had the most customers at 26,769,814.

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Chicago House is an agency that finds or provides housing for people with HIV and AIDS. Once a week Phil goes to a home provided by Chicago House and cooks a four-to ten-course meal for the staff and the residents living there. This means he is spending three to eight hours cooking for up to twenty people.

Phil finds his volunteer work very fulfilling. "HIV (and AIDS) is a very big need that a lot of people don't feel comfortable with dealing and facing," he said. "They want to forget that it exists…I think it's important that people don't turn their noses up at people who are HIV positive and be open to let them talk about it."

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Looks are everything

by Brien Strelau

Adding to the excitement of stadium seating are new design features both inside and out of the buildings.

In 1995 a new design concept was desired for the next generation of projects on the drawing table, and a competition was held. The winning entry recalled the tall, vertical towers common to the movie houses of yesteryear, and presented them in a modern look with modern materials. The theme was further developed by Design Director Pam Taylor, and the final product of four congruent towers in bright, bold colors over a sweeping canopy marks the entrances in a truly spectacular way.

The interiors of the new buildings are also spectacular. The idea of a star theme first came to Pam while singing "Twinkle, Twinkle Little Star" in the car with the Mitchell's grandson. After some finger-painting and cartoons together and deep, deep thoughts, and then numerous arrangements and installation and material considerations, a pattern using the basic five-pointed star was decided upon. Initially intended for a few places around the interior, the star element's flexibility can now be seen on wall coverings, countertops, doors, door pulls, table shapes, and signs, in all sorts of colors and sizes and materials. You can also, more often than not, find the theme hanging from the ears of Pam Taylor herself, as her star earring count has reached 15 different pairs.

Along with the stars, TV monitors, patterned stainless steel columns in the halls and lobbies, and amazing fibre-optic signs all add a new level of excitement to movie going. With these design features and stadium seating, the buildings are as much an attraction as the movies on the screens inside them. So, no matter how good or bad a film might be, a Cinemark theatre, together with the Cinemark Team, will always help bring people back to the movies.

$39,650 cash was awarded for promotion contests, in addition to some very nifty prizes in 1996.

FACTS FOR '96

Scheduled openings for 1997

DOMESTIC - 251 total screens

WESTERN REGION
>Layton, UT +7*
>Medford, OR 15
>Chico, CA 14
>Ogdon, UT 14

CENTRAL REGION
>Arlington, TX 9
Paris, TX 8

SOUTHWEST REGION
>Austin, TX 10
>El Paso, TX 20
>Pflugerville, TX 20

GULF STATES REGION
>Pasadena, TX +4*
>Beaumont, TX 15

NORTHEAST REGION
>Canton, OH 15
Brighton, NY 10

SOUTHEAST REGION
Kenosha, WI 16
Louisville, KY 20
Bradley, IL 10
>Chicago, IL 20
>Chicago, IL 24

INTERNATIONAL - 198 total screens

ARGENTINA
Puerto Madero 8
Politeama 6
Mendoza 10

BRAZIL
Sao Paulo SP Market 10
Sao Jose Dos Campos Los Colinas 12
Sao Paulo Santo Andre ABC Plaza 10
Sao Paulo Tatuape 8
Sao Paulo Interlagos 10
Sao Paulo Aricanduva Shopping Lester 11
Sao Paulo Eldorado Sao Bernardo 12

CHILE
Santiago Altos Las Condes 12
Santiago Plaza Oeste 10
Plaza Vespucio 6
Vina Del Mar 10
Gran Ave. 10

ECUADOR
Quito Las Americas 7
Guayaquil Mall del Sol 9

MEXICO
Mexico City Villa Coapa 15
Tijuana Minarete 10

PERU
Lima Jockey Plaza 12

* denotes an existing location with screen addition
> stadium seating

A Cinemark Campus

by Della Meadows

It's serious. It's fun.. It's MIT. On July 29, 1996 a pilot group, consisting of Dallas Area Assistant Managers and Assistant Manager Trainees, became the first to experience MIT - A Cinemark Campus. Since then, 160+ Managers have

become MIT alumni. MIT (Mecca of Innovative Training) adopted the slogan "It's not rocket science",, partly as a play on the original MIT (Massachusetts Institute of Technology) which really is about rocket science. Also, because we believe that if you break any task, no matter how imposing it may seem, into its most basic elements, you'll easily accomplish all that is set before you. Cinemark contracted with General Physics Corporation to aid in the development of our curriculums. We wanted to combine knowledge in theatre operations with General Physic's expertise in the training field. The combination has proven successful. We've received lots of positive feedback. After attending MIT, Frank Freeman from Summerville, SC responded, "Even after twenty-seven years in the business, one can be enhanced to do a better job. It was a great experience." Joe Mormando from Youngstown, OH reported to his Region Leader, "I am back from MIT and I just want to say a couple of things…A. WOW B. FANTASTIC C. AMAZING… I can't wait to return for more. I'm psyched!!" Rob Tolentino from Matthews, NC put his knowledge into practice. "I had an employee meeting on Saturday to pump up the employees with the MIT spirit. Everybody raved about how fun it was and you could see genuine excitement in their faces."

Ron Walker, Lead Trainer, at MIT is a big fan of experiential learning. Experiential learning is a training approach that allows the participants to be active in role plays, games, etc. These activities provide them with the ability to assess their own understanding of how and why they did or did not achieve a desired objective. Ron says, "It's kind of like having a hundred little light bulbs going off in your head. Once you understand how your actions affect the results, then you are able to identify your own weak areas, your potential blind spots."

There are four curriculum levels currently proposed for MIT. The first phase, Alpha Course, laid the foundation for all that is to come. You could consider it Theatre Management 101. It was designed for an Assistant Manager who is on his/her way to becoming a Manager. Beta Course is currently in development and is targeted to the Manager level. Where Alpha is meant to bring you into a consistent, general knowledge of how Cinemark operates a theatre, Beta will contain the "muscle" knowledge of the in-depth hows and whys of theatre management. Beta promises to be very exciting and definitely challenging. ■

Phil for thought continued

We at Cinemark are very proud of Phil and the work he does for others. Phil summed up his service saying, "The only reason I do it is because I enjoy it. It's cool to help other people." ■

73 employees received 5-year awards in 1996.

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The Big Picture

by Amy Cox

What are some of the reasons that you chose Cinemark as your employer? Do you have friends that work in the theatre? Are you working to save money for college, or do you just like the movies? Have you ever considered your job as an important part of Hollywood? It's true! Whatever the reason you find yourself working in a Cinemark theatre, you are part of the big entertainment picture. Selling popcorn and tickets may not seem glamorous, but every employee in our theatres can take some credit for the success of Show Business.

Did you know that:

- Many of the executives at such Companies as Warner Brothers, Paramount and Twentieth Century Fox got their start working in a theatre.
- As movie production costs soar into the hundred-millions, Hollywood counts on us to turn a profit. Approximately one half of every ticket sold goes back to the film companies.
- Film is one of the most influential mediums in popular culture. From fashion and hair styles to social commentary and educa-

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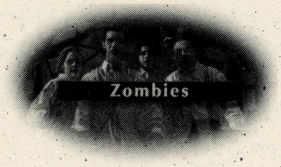
Keeping You Safe *by Eddy Herring*



As Cinemark continues to grow, it is important to focus on the safety and security of our customers and our employees. We want the "Cinemark experience" to exceed the expectations of all who enter our theatres; including YOU, the employee. This is achieved when employees are knowledgeable of, and follow, all Company policies and procedures. This is where your role is important.

Cinemark addressed this by incorporating its safety and security procedures into an interactive video CD training format. This approach to training, CINEMARK SAFETY AND SECURITY PROCEDURES was designed to be informative and a bit more entertaining than just reading a training manual. The scenes in the video are situational, allowing you to witness real-life events and see how employees react to them. It is a humorous, but serious look into situations that can and sometimes do happen in our theatres, and we want you to know what to do should you find yourself in a similar situation.

Here are three helpful hints to KEEP YOU SAFE:

1. *KNOW and FOLLOW Company policies and procedures at all times.*
2. *Be observant of your surroundings.*
3. *Always THINK before you speak and act.*

We hope this training CD will give you a better understanding and perception of Cinemark's safety and security procedures. Our goal is for you to be safe, because if you are safe, our customers will be, too.

And remember... don't be a ZOMBIE! ■

1,429,048 pickles; 837,752 hot dogs; and 427,246 boxes of milk duds had been sold through the end of October for 1996.

FACTS FOR '96

An Update

Retiring the Attire...

The employees at our test market theatre gave positive marks on the uniform test. The test included two styles of denim shirts (blue denim and charcoal denim), featuring custom Cinemark embroidery. The employees wore the standard black pants with the shirts. Alas, the test was not a complete success as both the management and the customers had a hard time identifying the staff members from the customers. But, while we're not quite there yet, conceptually we're close. So, stay tuned. ■

What do you want from us? *by Amy Cox*

Are you awake nights, contemplating the mysteries of the universe? Are you searching for the meaning of life? Do you constantly ask yourself what the comeback of John Travolta means to the order of the cosmos? If so, then don't call me. But if you are curious about Cinemark, the movies, etc... then drop me a note and your questions will be addressed in next month's newsletter. Just send it to my attention, care of the corporate office, and I will do my best to satisfy your curiosities. Please include your name and theatre! (Any questions regarding John Travolta will be taken under advisement. I can't understand it, either.) ■

Young Life continued

rants are some of the places we do our contact work - touching the lives of young people, learning about them and the struggles they face. Each year, 300,000 kids are involved with Young Life programs through local clubs and other outreach ministries in more than 500 communities across the United States."

I was involved in Young Life as a high school student, and I made some great friends and fun memories. If you are interested in finding out more about Young Life's activities in your area, please write or call: YOUNG LIFE, P.O. Box 520, Colorado Springs, CO 80901; phone: (719) 473-4262. ■

Big picture continued

styles to social commentary and education, filmmakers can affect how we see ourselves and our world.

- Movies can touch people in very personal ways. They are often used as an escape from everyday stress. They can elicit strong, emotional responses. They have allowed us to see places and events that we may never witness first hand.

Americans love the movies, and we have given them a prominent place in our society. By working in Cinemark theatres, you are contributing to a national treasure! And many of you may discover your career in what started as a part-time job. In the coming months, Vitascope will further examine the nature and influence of show business, and illustrate how each of you are an integral part of its success. So remember.....even though the box office doesn't have a view of Sunset Boulevard, you are helping to bring movie magic into the lives of millions. ■

Editor's Notes

by Della Meadows

The Vitascope has now become a reality. We've assembled a great group of writers that will contribute their talents to make the Vitascope a publication that you'll want to read. My many thanks, (for I most certainly couldn't do it without them), to all of them. Thanks to Rob Buie, CIG-C, Eddy Herring, CIG-C, Amy Cox (soon to be CIG-C, currently in the Booking Department), Kimberly Mount, CIG-C and Brien Strelau, Design Department. I hope to add an International Correspondent to this team soon. This will allow us to keep abreast of what our southernmost Cinemark neighbors are up to.

The Vitascope is a monthly publication. It is written by Cinemark employees for Cinemark employees. If you'd like to be a contributing correspondent, bring it on. You're definitely invited to do so. You can send your article directly to me via mail or CC:mail . And if you've got pictures, that's even better. You know what they say, "A picture is worth a thousand words." Amy Cox will be writing a column that will deal with any of your how-do questions. We'll do our best to address the issues you want to hear about.

The Vitascope will deal with issues we hope you want to hear about. We're counting on all of you to keep us on track. Some months will be more newsworthy than others. So, since we don't want to just throw a lot of "filler" stuff together, you'll see the Vitascope size vary from month to month. The Vitascope, it's about you, it's about us and it's about a Company called Cinemark. ■

Which seat continued

many of its new construction projects this year. The results so far have been phenomenal. In only its first week of operation, #218 in Houston (Cinemark's first all stadium building) was the highest grossing theatre in all of Texas. Cinemark's largest theatre yet, 24-screen #226 in Houston, was the 15th highest grossing theatre in the country during its opening week. Subsequent openings of other all-stadium theatres have been just as successful.

Recognizing the drawing power of this structural innovation, Cinemark is retrofitting the auditoriums of some of its recently opened, standard theaters to stadium seating. The public response to the retrofits has also been amazing.

In the same week that #218 Houston was number 1 in Texas, newly remodeled #206 in Grapevine was number 2. The ability to show popular films that week on multiple stadium screens proved to be a critical advantage.

You may wonder why all the theatres are not being retrofitted with stadiums. Local competition, movie going markets, and spending limits of developers are determining factors, both for new and remodeling projects. Basically, incentive to do so and the money with which to do it are the main factors that determine whether a building gets stadiums or not. However, with such success as Cinemark has experienced thus far, the possiblity of stadium seating taking over the planet is almost certain. ■

21 new theatres *(with a total of 266 screens)* were opened by Cinemark in 1996. This includes 3 dollar houses and 7 megaplexes.

FACTS FOR '96

Investment decisions continued

ment objectives, you can experience returns on your money without having to be pre-occupied with the markets short-term performance.

When you invest the same dollar amounts at regular intervals you automatically buy more shares when the price is low, fewer shares when the price is high. This process is known as dollar cost averaging. If you are currently using the payroll deduction service provided by Cinemark, hats off to you! This process involves a continuous investment in securities regardless of their fluctuating price levels. **Dollar cost averaging** cannot assure a profit, nor can it protect against a loss in declining markets.

How old are you? Over the long run, stocks have proven to provide the highest rewards, but may not be suitable for someone who is approaching their retirement years. These individuals may want to invest a greater percentage of their savings in funds with a more stable investment objective, such as Income or Capital Preservation funds. While someone who is in their teens may want to invest more of their money in funds with a greater percentage of stocks.

Next month we will be discussing different scenarios of assessing your "risk tolerance." ■

48 employees were members of the Corporate Training Team in 1996

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